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Dear Ms Mara

MAJOR IT PROJECTS – PROGRESS REPORT

I am writing to provide the latest six month update on the progress of major IT projects.

As Colin Cook explained in his letter of 31 May 2019, responsibility for the Digital Assurance Office moved under my remit in April following a restructure which brought together Internal Audit, wider project assurance and the Scottish Government's Data Protection Officer.

The new structure creates the opportunity to further develop, and continuously improve, our integrated approach to assurance and deliver benefits such as:

- Reduced confusion about where to go to get assurance advice/guidance;
- Joint planning of assurance, enabling a proportionate and risk based approach, reducing the risk of gaps or duplication;
- Combined reporting to audit and assurance forums;
- Reduced overhead for projects when planning and managing assurance activity; and
- Embedding lessons learned, emerging themes, trends and good practice from across the full range of assurance.

There are currently 410 active projects recorded with the Digital Assurance Office, of which 27 are classed as major projects and a further 15 are potential new major projects. These account for almost 80% of the total costs recorded and are the areas we continue to prioritise for mandatory assurance. A full breakdown of the projects by estimated whole life costs is shown at **Annex A**.

I also attach a report at **Annex B** which provides an overview of the technical assurance activity conducted on each of the major projects. While the detailed outcome of each assurance activity has not been included for the reasons previously outlined to the Committee, I can advise that projects have only progressed to the next stage on successful completion of the mandatory review requirements.

As noted in previous updates, technical assurance may be only one of the independent assurance activities carried out on a particular project or programme.

In addition to the mandatory assurance reviews carried out on major projects, new digital public services require to be assessed for compliance with the Digital First Service Standard. Since the last report in May, 6 non-major services have also been assessed for compliance with the Standard.

I hope this is helpful but I would be very happy to discuss in more detail.

Yours sincerely

A handwritten signature in cursive script that reads "Sharon Fairweather". The signature is contained within a thin black rectangular border.

Sharon Fairweather
Director of Internal Audit and Assurance

BREAKDOWN OF PROJECTS – @13 NOVEMBER 2019Table 1 – Total Number of Projects Recorded in Project Register

Total Number of Active Projects	Total Number of Active Projects with Estimated Whole Life Costs	Total Estimated Whole Life Costs
410*	306*	£1,154,795,921

* This figure includes potential projects and projects at early scoping stage. The DAO does not monitor the financial expenditure of projects and captures estimated whole life costs as a means of identifying high level projects and gauging the level of assurance which may be warranted. Whole life costs reflect the total cost of creating and maintaining an asset through to its disposal. The nature of the project register means that some estimates will include projected costs that are not related directly to the IT delivery element of the project. It should also be noted that the project register is updated regularly through a process of engagement between the DAO and organisations and therefore the nature of the information held will change over time.

Table 2 – Breakdown of Projects with an Estimated Whole Life Cost Recorded

Project	Number of Projects	Total Estimated Whole Life Costs £m	Percentage of Active Projects with Estimated Whole Life Costs
Major Projects	27*	716	61.6%
Potential Major Projects	15**	194	16.7%
>=£5m (excluding major and potential major projects)**	10	123	10.6%
£1m - <£5m	44	87.4	7.5%
£500k - <£1m	23	15.5	1.3%
£100k - <£500k	92	23.1	2.0%
<£100k	101	3.9	0.3%

* There is one Major Project and four Potential Major Project for which estimated costs are not currently recorded.

**These are projects which are not currently subject to mandatory assurance e.g. because they are on hold or because the solution is delivered and the ongoing costs are for licensing or support.

PUBLIC AUDIT AND POST LEGISLATIVE SCRUTINY COMMITTEE
DIGITAL ASSURANCE OFFICE (DAO) - MAJOR IT AND DIGITAL PROJECT REPORT NOVEMBER 2019

1. CURRENT MAJOR PROJECTS

Organisation	Project Name	Project Description	Estimated Whole-life Cost £m	Project Start Date	Project End Date	Current Stage	Technology Assurance Activity To Date	Technology Assurance Activity Planned	Notes
Scottish Government – Agriculture and Rural Economy Directorate	Land Parcel Identification System	To implement a replacement Land Parcel Identification System to support compliance with EC Regulation.	£4	January 2016	January 2020	Delivery	Go-Live Gate Healthcheck	A further Go-Live Gate is scheduled for early 2020.	A first version of the tool is in use by digitisers and a viewer tool has been released for Area Office use. The project is near completion with a small number of key tasks to complete including finalisation of penetration testing and integration with the payments system before going live with the full system.
Scottish Government – Constitution and Cabinet Directorate	eCounting 2022	The primary aim of the project is to procure an effective and efficient system for electronically counting votes cast under the STV voting system at the next Local Government elections in Scotland, scheduled for May 2022. The solution that is procured for those national elections will also be suitable for use in by-elections from the point at which the eCounting system is approved, expected to be in Autumn 2021, until the end of the contract.	£8.4	May 2019	May 2022	Initiation	Business Justification Gate	The DAO and project team are in ongoing engagement and assurance will be planned in as appropriate. A Pre-Procurement Gate is under planning for early 2020.	
Scottish Government - Digital Directorate	eRDM	Procurement of a new support and maintenance contract and implementation of the next generation Electronic Records and Document Management solution.	£9	October 2016	March 2020	Solution Live	Go-Live Gate	The DAO continues to work with the project to ensure action is taken on the recommendations of the Go Live Gate, which included post-rollout recommendations to ensure wider business benefits are realised.	Following enhancements to the solution, in response to feedback from early adopters, the new solution was rolled out during September/October.

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Scottish Government – Digital Directorate	Payments Transformation Project	Development of a standardised way for Scottish Government to make and take payments to and from citizens and businesses.	£1.4	September 2018	March 2020	Delivery – Alpha and Full Business Case	Business Justification Gate Healthcheck Pre-Procurement Gate Digital First Assessment	The DAO is in ongoing engagement with the Project Team to build in appropriate assurance as the project evolves. A healthcheck Pre-Procurement Gate and Alpha Digital First assessment are currently being planned.	The full-life cycle costs are estimated to be £30m over a 10 year period based on outline business case findings, however there is presently no further funding in place beyond the current financial year.
Scottish Government – Digital Directorate	Digital Identity Scotland (formerly Online Identity Assurance)	The Scottish Government's Digital Strategy contains the commitment to work with stakeholders, privacy interests and members of the public to develop a robust, secure and trustworthy mechanism by which an individual member of the public can demonstrate their identity online (to access public sector digital services). The aim of this programme is to deliver the commitment to develop a common public sector approach to online identity assurance, as part of digital public services.	£60	January 2018	December 2028	Delivery - Technical options appraisal and industry pre-market engagement	Business Justification Gate Pre Procurement Gate Digital First Assessment	The DAO is in ongoing engagement with the project team to plan in future assurance requirements.	The estimated Whole Life Cost includes anticipated revenue spend by those service providers which will use the service. The full cost model will be developed over time as part of the full business case.
Scottish Government – Education, Local Government and Communities Directorate	Digital Planning Transformation Programme	Following on from the 'empowering planning' independent review, a ministerial led task force has been established to guide the digital transformation of planning. The strategy setting out the direction, programme and roadmap will be launched in summer 2020, with programme set up taking place Quarter 1 2020.	£5	June 2020	March 2025	Early Scoping	None	The DAO is in ongoing engagement with the Programme to scope out future assurance requirements.	Please note that this Programme subsumes the National Case Handling Transformation entry which appeared on the May 2018 report to the Committee. The revision to the previously advised start date of April 2019 reflects a delay resulting from earlier competing priorities requiring focus on the Planning Bill and securing of delivery budget.
Scottish Government – Justice Directorate	Digital Evidence Sharing Capability	To develop a capability which will drive better information sharing across the criminal justice system.	£25	January 2016	March 2026	Procurement underway	Digital First assessment Pre-Procurement Gate and follow up Healthcheck	The DAO and the project are in ongoing engagement and assurance activity will be planned in as the project progresses.	The estimated whole life costs are now better understood following business case development and formal agreement by partners on scope and duration of the Programme over a maximum contract period of 8 years . This is reflected in the increase to £25m from £5m+

									previously reported which largely reflected potential development costs.
Scottish Government – Social Security Directorate	Social Security Programme (IT elements)	To enable Scottish Government control and administration of devolved welfare benefits.	£190	January 2017	tbc	Delivery	Pre-Procurement Gates for major investments Digital First assessments of services Delivery and Go-Live Gates for major releases Healthcheck	The DAO and the Social Security Directorate are in ongoing engagement and assurance will continue to be planned throughout the lifetime of the Social Security Programme.	
Childrens' Hearings Scotland/ Scottish Children's Reporter Agency	Joint Digital Delivery Programme (Phase One Replacement of Core Operational Systems and creation of a modern and agile core platform to support future business needs)	<p>The purpose of the digital transformation programme is to improve the life chances of Scotland's most vulnerable children and young people. It is intended to address three key business needs:</p> <ol style="list-style-type: none"> 1. A reduction in the time taken to process cases in the system, 2. An improvement in access to information and the quality of that information to improve decision making 3. To create opportunities to research and longer term increase the effectiveness of participation of children and young people in the system. <p>The programme will focus on technology based, user centric service design and delivery. It will develop and expand on the work outlined in the Children's Hearings System digital strategy and GIRFEC which was under pinned by user research.</p> <p>The initial programme investment is designed to replace existing aging and inflexible core systems, creating a more agile core system environment that will</p>	£5.3	April 2017	March 2020	Delivery	Healthcheck Digital First Assessment Delivery Gate	The DAO and project team are in ongoing engagement and assurance will be planned in as appropriate. Go-Live assurance reviews are under planning for Quarter 1 2020.	

		support achieving the longer term digital strategy for the two organisations.							
Disclosure Scotland	Transformation Programme	Replacement of Protecting Vulnerable Groups system and transition to customer centric organisation with enhanced Digital Capabilities.	£78.2 (see notes)	October 2015	By December 2019, Disclosure Scotland will have ended its contact with its key supplier and be wholly responsible for supporting and developing the system. There will be a further period of continuous improvement which will merge into a new programme to deliver the Disclosure (Scotland) Bill.	Solution Live as a Minimum Viable Product (MVP) that ensures continuity of Disclosure Scotland's safeguarding service.	Digital First assessment. Healthcheck on police connectivity workstream. Delivery Gate	The DAO and programme are in ongoing engagement and assurance will be planned in as appropriate.	<p>The Service has entered a transition phase to build in house capability and produce the future product roadmap.</p> <p>Following on from this the objective will be to drive in improvement and efficiency to the service and move towards further transformation.</p> <p>The Estimated Whole Life Costs have increased from the previous forecast of £44.1m included in the original Full Business Case due to three main contributory factors:</p> <ul style="list-style-type: none"> • additional complexity and time required to deliver the programme; • retention of the legacy supplier to enable delivery of MVP; and • MVP means that a number of manual workarounds, with increase in temporary resource, is needed to deliver a safeguarding service. <p>The estimated Whole Life Costs cover:</p> <ul style="list-style-type: none"> • the up-front cost of investment (capital expenditure) and this is recognised as being up to and including December 2019 (per programme end date); <p>and</p> <ul style="list-style-type: none"> • recognition that systems need to be supported and maintained (direct running costs) to contribute to providing a safeguarding service during and beyond the investment period.

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									Here the costs are recognised up to and including Financial Year 22/23.
Forestry Commission Scotland	Digital Services Transition Project	Transition of information systems from a UK based central service into Forest Enterprise Scotland (FES) as part of the devolution of Forestry.	£4.7	September 2016	September 2019	Live	Delivery Gate Go-Live Gate		
Highlands and Islands Airports Ltd (HIAL)	Air Traffic Management Strategy 2030 Programme	The Air Traffic Management Strategy 2030 Programme seeks to provide a sustainable air traffic service for the HIAL group. This includes Centralised Surveillance, Airspace Change and a Remote Tower Solution. The programme envisage a full turnkey solution from the market that involves the design, development, testing, transition and maintenance of all necessary ATS Technical infrastructure plus the construction /building modernisation of the central surveillance centre to be located In Inverness. The end result will be the provision of a non-radar approach surveillance service (sensors, processing and a centralised suite of approach positions) and Remote or "digital" aerodrome service at 7 Airports.	£28	February 2018	April 2032	Early Scoping	None	The DAO and programme will engage as the programme progresses to plan in assurance as appropriate.	The estimated whole life costs reflect the full Programme costs. The broad estimation is that the IT element of the programme will be in the region of £10 million.
Marine Scotland	IT Replacement	Marine Scotland has a number of disparate and ageing IT applications which need to be replaced to ensure the future operations of fisheries business processes and in line with contractual expirations. The project delivered a core live system as of March 2017 which continues to be enhanced and augmented with major and minor releases.	£7.8	April 2016	April 2020	Delivery	Healthcheck Review of Healthcheck Recommendations		This project will complete delivery of short term activity and thereafter the project will close with any further work considered as part of the wider Marine Scotland Transformation Programme.

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National Records of Scotland	Census 2021	The programme of work, including IT to support Scotland's Census 2021, which will be primarily online.	£110	October 2015	December 2023	Delivery	Four Pre-Procurement Gates Digital First Checkpoint Rehearsal Go-Live Gate	The DAO, Census Programme Team and other corporate assurance providers are in ongoing engagement and future assurance activity is under planning.	The estimated whole life costs reflect the whole costs for the Programme not just the IT costs.
National Records of Scotland	Digital Preservation Programme	To develop a solution to preserve in perpetuity, born digital records created by Scottish public authorities archived under The Public Records Scotland Act 2011 and other relevant legislation.	£8.1	March 2016	December 2022	Delivery	None	The DAO and programme team are in ongoing engagement about assurance requirements which will be planned in as appropriate.	The programme has already delivered a web archiving service, including a web continuity capability for participating organisations, and has undertaken preliminary design work to replace NRS' current basic digital archiving capability to receive digital material with a more flexible and scaleable solution. Following a Gateway Review in May 2018, the Programme is undergoing a rebaselining exercise.
Police Scotland	Core Operations Solution	Increase public safety by replacing aging legacy 'silo' information management systems, with a single national platform capable of meeting present day operational requirements and public expectations of a national police service. Required to address strategic risks regarding access to key operational data, data quality and organisational capacity. Critically required for legislative compliance with GDPR. Deliver significant operational, time and costs savings benefits through streamlining, removal of waste, reduction in failure demand, automation of processes and by providing officers with access to the right information at the right time. COS is fundamental to realisation of the 2026 Strategy. Delivery of COS is a key component of the	£36.8	July 2017	December 2021	Delivery		The DAO and programme team are in ongoing engagement about assurance requirements which will be planned in as appropriate. A Delivery Gate is currently scheduled for January 2020.	

		Digital, Data and ICT Strategy.							
Police Scotland	Mobile Working	The Digitally Enabled Policing Programme and its component projects, including the Mobile Working Project, have been established to support improvements in operational service delivery by enhancing officer productivity, maximise visibility and the time officers spend in their communities. Supporting the Policing 2026 Strategy objective of 'investing in our use of information and technology', it will enable a cultural shift, predicated on the creation of a technically enabled workforce. It is the foundation for improvements to operational service delivery and is an enabler of future change, including those envisaged within the Digital Data and ICT (DDICT) Strategy.	£39.2	January 2018	June 2020	Delivery	Healthcheck	The DAO and programme team are in ongoing engagement about assurance requirements which will be planned in as appropriate.	
Revenue Scotland	SETS2	Design, implementation and transition of tax administration and management solution and associated service redesign.	£9	July 2017	January 2020	Delivery	Business Justification Gate Pre-Procurement Gates Delivery Gate Digital First Assessments Delivery Healthcheck Phase 1 Go Live Gate	Phase 2 Go-live Gate scheduled for December 2019.	Programme agreed a two-phased go-live with the supplier. The first deployment went live in July 2019, and a second deployment is scheduled for January 2020.
Scottish Courts and Tribunals Service	Integrated Case Management System (ICMS)	To facilitate a modern digitally enabled civil justice system, with the case management system providing a reusable civil courts application on a scalable platform for future expansion to Office of the Public Guardian in Scotland and Tribunals.	£12.8	March 2015	September 2019	Case management platform and sheriff court application was delivered October 2016. Civil online, fully paperless end to	Phase 1 and Phase 2 Go-Live Gates		The project has progressively incorporated business as usual development to meet the needs of the Scottish Civil Justice Council and enhanced digital service delivery since October 2016. The spend to date at the end of financial year 2018/2019 was £11,237,006 with a projected

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						end digital service for civil simple procedure claims was implemented in 2 phases between March 2018 and April 2019.			spend to September 2019 of £12,877,958. The ICMS closure report is to be finalised by December 2019. Any new project that adopts ICMS will have its own governance.
Scottish Enterprise	Business Support Partnership Programme	The development and delivery of a coherent, collaborative and streamlined business support environment for Scotland.	tbc	October 2018	April 2023	Initiation	Digital First Assessments for Single Entry Point	The DAO is in ongoing engagement with the Programme Team to plan in assurance requirements.	
Scottish Enterprise	Digital Transformation Programme 2017-2020	Transformation Programme to connect more business across Scotland with the support Scottish Enterprise can offer; build capacity across our operations to ensure face to face time is spent on the most complex challenges and opportunities to stimulate growth and; make it simpler and easier for customers to do business with Scottish Enterprise.	£5.5	January 2017	January 2020	Under Closure	Healthcheck Assurance of Action Plan Digital First Assessments		Following the Healthcheck, the Digital Transformation Programme was subsumed within a wider Business Change Programme and digital projects are now managed as discrete capability enablers within the wider business governance. A healthcheck is scheduled in December to review progress.
Scottish Fire and Rescue Service	Replacement Command and Control System	Rationalisation of control rooms and implementation of single system.	£12.4	June 2014	March 2021	Implementation	Delivery Gate	The DAO is in ongoing engagement with the project to plan in future assurance requirements.	The rationalisation of control rooms element of this has been complete for some time.
Scottish Public Pensions Agency	Altair Programme (called Service Extension Project on May 2018 report)	Preparation of variation(s) to existing contract(s) to protect service continuity and progress improvements to services.	£10.5	June 2018	March 2024	Delivery	Business Justification Gate Digital First assessments Healthcheck and assurance of action plan	The DAO and SPPA are in ongoing engagement and future assurance activity will be planned as appropriate.	
Scottish Public Pensions Agency	Pension Administration System	Procurement and implementation of pension administration system	£10	January 2020	February 2024	Early Scoping	An early healthcheck was conducted alongside the Altair healthcheck above,	The DAO and SPPA are in ongoing engagement and future assurance activity will be planned in as the project progresses.	

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Scottish Qualifications Authority	Enabling Functions Programme	The Enabling Functions Programme aims to address the inherent risk and constraints in the organisation's legacy systems by delivering modern enabling technology and application platforms. This will enable the organisation to continue to deliver its core remit now and in the future and lay the foundation for any future change.	£10.7	April 2018	March 2023	Delivery	Business Justification Gate	The DAO and programme team are in ongoing engagement and assurance will be planned as appropriate. A Delivery Gate is scheduled for November 2019	The Enabling Functions Programme is focused on transforming core infrastructure, implementing more effective data management solutions and addressing strategic risks for mission critical applications. It will also provide an Enterprise Resource Planning system that allows back office support functions to operate more effectively such as finance and HR as well as providing improved financial management capability.
Transport Scotland	Ar Turas (Previously called Booking and Reservations Ticketing Solution BaRTS)	A booking system for CalMac Ferries Ltd to replace and enhance their current system to improve efficiency around the management of bookings and adding an ITSO capacity for passenger bookings.	£20	August 2016	October 2021	Pre-Procurement	Digital First Discovery Assessment Pre-Procurement Gate 2018 Healthcheck Pre-Procurement Gate 2019	The DAO and Programme Team are in ongoing engagement and future assurance activity will be scheduled as appropriate.	
Transport Scotland	Fareshare TABO 2 (Transport Back Office Application)	Replacement and enhancement of the current TABO system that calculates payments to transport operators for the National Concessionary Schemes. Enhancements include improved management of operator data and the integration of the BSOG (Bus Services Operators' Grant) scheme.	£3 over 4 year life of contract. £4.6 million over 8 years with extensions.	February 2016	December 2020 (tbc for full system sign off)	Delivery	Delivery Gate Go-Live Gate	The DAO and project team are engaging to plan out the assurance requirements for Phase 2.	Phase 1 was delivered February 2019. Phase 2 will have the BSOG payment facility and may have an external facing Bus Operator Portal, but this will be dependent on the output of the discovery phase which is being run by SG Digital. Planning for this commenced in May 2019 for completion by May 2020. Phase 3 still to be agreed as this is over and above what was contractually required. There is a potential that this phase will incorporate Fareshare being able to record bus operator fleet information with regard to Low Emissions Zone reporting.